THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI M. M. JACOB): (a) Yes, Sir.

(b) la April, 1991, the Government approved the proposal to grant licences in the private sector to manufacture pistols. revolvers and refles. However, the decision was not given effect to as it involved a policy decision and the general elections were due shortly. In the meantime, the case of M/s. Dwarka Arms Stores for grant of licence fc* manufacture of revolvers/pistols was examined m PMO and it was communicated to the Ministry of Home Affairs on 15.7.91 that the new P.M. bad directed that a de-novo examination of the policy aspect as well as the legal implications should be made. There was no tampering of the records as alleged in the Press.

1974. *(Transferred to the 17th December,* 1991)

Low to M. C D.

1975. SHRI CHATURANAN MISHRA. Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Municipal Corporation of Delhi has been losing huge amount by way of interest on the amounts deposited in various branches of different banks by the Chief Accountant of Municipal Corporation of Delhi;

(b) what are guidelines for depositing amounts la Banks by Municipal Corporation of Delhi

(c) whether the Chief Accountant has violated directions/instruction given to him in this regard by the Commissioner, Municipal Corporation of Delhi;

(d) if so, the action taken in this regard;

(e) whether it is a fact that the previous Chief Accountant had to resign or dismissed for such activities; and

(f) if se, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI M. M. JACOB): (a) to (c) Municipal Corporation of Delhi has reported that in the light of provisions contained in section 107(2) of Delhi Municipal Corporation Act, 1957 read with the Regulation 34 of the Delhi Municipal Corporation (Provident Fund) Regulations, 1962, Commissioner, Municipal Corporation Of Delhi, laid down the following guidelines for depositing GPF funds in the nationalised banks:

(i) The deposits may be made either at the regional office of a nationalised banks or in a branch located within 2-3 Kms. of the Central office of the Municipal Corporation.

(ii) The investments in short-term deposits should be made at the highest available rate and if more than one bank offers the same rate, the amount should be equally distributed. If such distribution is not possible due to the fact that banks prescribe certain minimum amounts to be taken under the deposit scheme, it may be given on a rotation basis.

(iii) Each investment of wore than Rs. 10 lakhs should have the approval of the Commissioner.

The Chief Accountant, in violation of the said guidelines deposited funds in long term deposits of 3 years at lesser rates of interest than those available under short term deposit schemes.

(d) The Chief Accountant hag been reverted to his parent department. Details of irregularities committed by him in the matter of bank deposits, have also been communicated to his parent department.

(e) and (f) Such irregularities were noticed during the year 1988-89 and the then Chief Accountant was reverted to his substantive post of Budget and Finance Officer. He proceeded on long leave and superannuated.